

Message Text

UNCLASSIFIED

PAGE 01 VANCOU 00174 241707Z

21

ACTION EUR-12

INFO OCT-01 ISO-00 PM-04 NSC-05 SP-02 SS-15 CIAE-00 INR-07

NSAE-00 /046 W

----- 109922

R 241640Z FEB 76

FM AMCONSUL VANCOUVER

TO SECSTATE WASHDC 2586

INFO AMCMEMBASSY OTTAWA

UNCLAS VANCOUVER 0174

E.O. 11652: N/A

TAGS: EFIN, PINT, CA

SUBJECT: BENNETT ON B.C. S ECONOMY

1. B.C. PREMIER BILL BENNETT HAS GIVEN STATE OF PROVINCE ADDRESS FEATURING FINANCIAL REPORT COMPILED BY INDEPENDENT ACCOUNTING FIRM. THOUGH FORMER GOVERNMENT NOT MENTIONED AT ALL, PURPOSE OF ADDRESS WAS CLEARLY TO PUT BLAME FOR PROVINCE S CURRENT DISMAL FINANCIAL SITUATION ON DEFEATED NDP GOVERNMENT.
2. FIGURES CAN BE INTERPRETED DIFFERENT WAY BUT BASED ON PROJECTED REVENUES AND EXPENDITURES, PROVINCE WILL BE DOLS 541 MILLION IN RED ON MARCH 31, END OF FISCAL YEAR. PRINCIPLE CAUSE OF INDEBTEDNESS WILL BE TRANSFER OF DOLS 175 MILLION TO INSURANCE CORPORATION OF BRITISH COLUMBIA AND DOLS 32 MILLION TO B.C. HYDRO. (CRITICS CLAIM THESE TRANSFERS NOT NECESSARY AND THEREFORE GIVE INCORRECT FINANCIAL IMPRESSION.)
3. BENNETT HAS NOT RULED OUT POSSIBILITY OF INCREASED TAXES (PROBABLY PERSONAL INCOME TAX) TO PAY FOR LIKELY DEFICIT. IMMEDIATE PLAN IS TO CUT 76/77 BUDGET AND TO BORROW APPROXIMATELY 4 HUNDRED MILLION DOLLARS TO PAY FOR DEFICIT. (CURRENT PROVINCIAL SURPLUS WOULD MAKE UP THE 141 MILLION DOLLAR DIFFERENCE).

4. ACCOUNTANT S REPORT ON CROWN CORPORATIONS ALSO INTERESTING
- UNCLASSIFIED

UNCLASSIFIED

PAGE 02 VANCOU 00174 241707Z

THE HARBOURS BOARD, OCEAN FALLS CORPORATION AND BC STEAMSHIP

COMPANY ALL SHOWED OPERATING LOSSES WHILE CANADIAN CELLULOSE AND
THE BRITISH COLUMBIA PETROLEUM CORPORATION BOTH OPERATED AT A
PROFIT.
BURGOON

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PROVINCIAL GOVERNMENT, BALANCE OF PAYMENTS DEFICITS, ECONOMIC TRENDS, ECONOMIC REPORTS
Control Number: n/a
Copy: SINGLE
Draft Date: 24 FEB 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976VANCOU00174
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760069-1078
From: VANCOUVER
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760217/aaaaaokg.tel
Line Count: 65
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: castelsl
Review Comment: n/a
Review Content Flags:
Review Date: 12 JUL 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <12 JUL 2004 by schwenja>; APPROVED <26 AUG 2004 by castelsl>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: BENNETT ON B.C. S ECONOMY
TAGS: EFIN, PINT, CA, (BENNETT, BILL)
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006